

Cost Disclosures for Clearing Account Structures (November 2018)

The European Markets Infrastructure Regulation (“EMIR”) and the second Market in Financial Instruments Directive (“MIFID II”) requires INTL FCStone Ltd (“IFL”) to publicly disclose:

- (i) *an overview of clearing account types IFL offers and the benefits and risks associated with each account type*

This can be found in:

- (a) our **EMIR Disclosure Document**. This document is relevant to all clients or prospective clients that receive clearing services directly from IFL on one of the relevant central counterparties (“CCP”) listed in the table below using either a: omnibus client account (“OCA”, also an “omnibus segregated account” or “OSA”); or an individual client account (“ICA”, also an “individual segregated account” or “ISA”); and

- (b) additionally, in our **Direct Client Disclosure Document** for our clients/prospective clients that are MIFID investment firms (or the equivalent if in a non-European Economic Area (“EEA”) jurisdiction) that are interested in providing indirect clearing services to their own clients through opening either a: basic omnibus indirect client account (also known as a “net omnibus segregated account” or a “NOSA”); or gross omnibus indirect client account (also known as a “gross omnibus segregated account” or a “GOSA”) at IFL.

Both documents are available on our website at the following location:

<https://intlfcstone.com/Account-Forms/>

- (ii) *the costs and financial requirements associated with the different clearing account types.*

These are detailed in this document.

Product Area	Relevant CCP	OSA[1] Fee (Per Annum)	Indirect OSA[2] Fee (Per Annum)	Indirect GOSA[3] Fee (Per Annum)	ISA[4] Fee (Per Annum)
LME	LME Clear	No new applicable fees or charges	No new applicable fees or charges	Relevant CCP fees + \$250,000 (or currency equivalent). Additionally, the initial margin requirement will be 1.5*the initial margin requirement at the Relevant CCP.	Relevant CCP fees + \$50,000 (or currency equivalent). Additionally, the initial margin requirement will be 1.5*the initial margin requirement at the Relevant CCP.
Euronext Derivatives	LCH SA	No new applicable fees or charges	No new applicable fees or charges	Relevant CCP fees + \$250,000 (or currency equivalent). Additionally, the initial margin requirement will be 1.5*the initial margin requirement at the Relevant CCP.	Relevant CCP fees + \$50,000 (or currency equivalent). Additionally, the initial margin requirement will be 1.5*the initial margin requirement at the Relevant CCP.
ICE Europe	ICE Clear Europe	No new applicable fees or charges	No new applicable fees or charges	Relevant CCP fees + \$250,000 (or currency equivalent). Additionally, the initial margin requirement will be 1.5*the initial margin requirement at the Relevant CCP.	Relevant CCP fees + \$50,000 (or currency equivalent). Additionally, the initial margin requirement will be 1.5*the initial margin requirement at the Relevant CCP.
EEX	ECC European Commodity Clearing	No new applicable fees or charges	No new applicable fees or charges	Relevant CCP fees + \$250,000 (or currency equivalent). Additionally, the initial margin requirement will be 1.5*the initial margin requirement at the Relevant CCP.	Relevant CCP fees + \$50,000 (or currency equivalent). Additionally, the initial margin requirement will be 1.5*the initial margin requirement at the Relevant CCP.
Eurex	Eurex Clearing AG	No new applicable fees or charges	No new applicable fees or charges	Relevant CCP fees + \$250,000 (or currency equivalent). Additionally, the initial margin requirement will be 1.5*the initial margin requirement at the Relevant CCP.	Relevant CCP fees + \$50,000 (or currency equivalent). Additionally, the initial margin requirement will be 1.5*the initial margin requirement at the Relevant CCP.

Additional charges – ICA accounts

In addition to the above, a charge for cash payments or receipts on behalf of the client to or from the CCP of USD\$50 (or currency equivalent) per transfer will be levied.

Rebates and discounting

IFL does not offer any rebates or discounts on the abovementioned fees at present.

Minimum financial resource requirements for (prospective) clients wishing to open and maintain indirect NOSAs or GOSAs at IFL

Any (prospective) client that wishes to open an indirect NOSA or GOSA at IFL must meet IFL's minimum financial resource requirement. This is set as USD\$3 million in capital. IFL reserves the right to set lower or higher thresholds as appropriate, e.g. the prospective direct client is based in a EU jurisdiction.

Summary of the operational capacity requirements for (prospective clients) wishing to open and maintain indirect NOSAs or GOSAs at IFL

Any (prospective) client that wishes to open and maintain either a NOSA or GOSA at IFL must meet on application, and continue to meet, the following operational capacity requirements:

- if the (prospective) client is a credit institution or investment firm established in the European Union ("EU") then it must agree to submit commodity position reports (if relevant) providing details on their clients' (IFL's indirect clients') positions and identification information to the relevant trading venue(s) and/or clearing house(s) on IFL's behalf. This is because IFL cannot report this information itself.

Please note that the London Metal Exchange ("LME"), Eurex and the European Energy Exchange ("EEX") are currently unable to facilitate this type of delegated reporting at present. **Accordingly, IFL cannot currently offer indirect clearing services on LME, Eurex or EEX commodity products to EU based credit institutions or investment firms at present.** However, IFL can provide indirect clearing services to Category 4 members of the LME because the LME will accept commodity position reports directly from Category 4 members; and

- either: (i) provide a daily upload of its clients' (IFL's indirect clients) contact details to a secure escrow; or (ii) provide an alternative solution that is acceptable to IFL, such as a standing instruction to a third party professional services firm to retrieve and send the details to IFL upon receiving notice from IFL that it has put its direct client into default. The purpose of this requirement is to ensure that IFL can fulfil its obligations under Commission Delegated Regulation (EU) No 2017/2154 of 22 September 2017 to contact its indirect clients in an event of default.

Links to relevant CCP Account Costs (where available) and structures information

LME Clear

EMIR disclosure: <http://www.lme.com/lme-clear/rules-and-regulations/disclosure/>

Account Costs: <http://www.lme.com/lme-clear/fees/>

European Commodity Clearing AG

<https://www.ecc.de/ecc-en/risk-management/emir/segregation-and-portability>

LCH SA

<https://www.lch.com/membership/sa-membership/sa-fees/annual-account-structure-fees-sa>

ICE Clear Europe

https://www.theice.com/publicdocs/clear_europe/ICEU_EMIR_Disclosure_Statement.pdf

Eurex Clearing AG

Clearing conditions:

<https://www.eurexclearing.com/clearing-en/resources/rules-and-regulations/Clearing-Conditions/136778>

Price list:

https://www.eurexclearing.com/blob/252898/93dc985833327a245598d270b81261fb/data/price_list_clearing_en_ab_2018_09_17.pdf

Please note a CCP could change its charging structure at any time. IFL is not responsible for the content of any of any external websites. Please contact the CCP directly if you have any queries about its charging structure.

Disclaimer

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